

Secret

25X1



DIRECTORATE OF
INTELLIGENCE

WEEKLY SUMMARY

Secret

7 May 1971
No. 0369/71

State Dept. review completed

Copy **Nº** **0053**

07 228544

Page Denied

SECRET

C O N T E N T S

(Information as of noon EDT, 6 May 1971)

Page

FAR EAST

Indochina: Politicians Hold Forth	1
Vietnam: Thieu Thinks Election	2
Laos: Talking About Talking	3
Communist China: Face Saving or Face Lifting?	4
Philippines: Protesters on the Move	5

EUROPE

Soviet-US Relations: Trade, Politics, and Violence	6
Civilian R&D Still Troubles Soviets	7
East Germany: Passing the Torch	8
Polish Church-State Discussions Intensify	9
Yugoslav Regime Confronts Internal Problems	10
Soviets Put Pressure on Berlin	11

MIDDLE EAST - AFRICA

Egypt: Falling Out at the Top	12
Yemen (Sana): A New Government Faces Old Problems	14
Pakistan: Fighting Subsidies, Economic Problems Increase	15
Peking Courts Turkey and Iran	16
Turkey: Military Grip Tightens	17
Cyprus: Intercommunal Talks Still Flounder	18

WESTERN HEMISPHERE

May Day in Latin America	19
Cuba: Castro Reasserts His Leadership	19
Central American Common Market: Another Try to Save It	21
Guyana: End of Bauxite Strike?	21
Colombia Has a "New" Party	22

NOTES: Romania; Maritime Issues; Netherlands; USSR-Guinea;



25X1

SECRET

SECRET

FAR EAST

Indochina: *Politicians Hold Forth*

The political wrangling that was stirred up by Lon Nol's sudden resignation over two weeks ago finally ended when the ailing Cambodian leader fashioned a compromise solution for organizing a new government. Ironically, his blueprint called for him to remain as prime minister, with Sirik Matak still responsible for actually running the regime as his "delegate." Matak lost little time in assembling a new cabinet, which won quick approval from the National Assembly.

Before Lon Nol re-entered the picture, Chief of State Cheng Heng made several futile attempts to find someone who would agree to try to assemble a new cabinet. His first candidate was Matak, who quickly declined on the grounds that he was unwilling to respond to pressures for sweeping changes in government personnel and policies. Heng's next nominee was his own lackluster personal counselor, Chuop Hell, who evidently was never a serious choice and who bowed out of the running in short order. National Assembly President In Tam was next on Heng's list, but his candidacy soon collapsed when he was unable to get the backing of Lon Nol and Matak. The compromise proposal fashioned by Lon Nol succeeded in calling a halt to this passing parade before it reached Son Ngoc Thanh.

Matak's political position seems to have improved considerably as a result of the prime ministerial imbroglio. With a reaffirmation of support from Lon Nol, he probably can continue to rely on the cooperation of the military establish-

ment. Moreover, his chief political antagonist, Lon Non, apparently has been whipped into line by his brother, the prime minister. It is likely that Lon Non's strong public declaration early in the week supporting Matak was part of the price Matak demanded in exchange for his agreement to put together and direct the new government.

Matak's cabinet has the earmarks of a political compromise. The most important positions in the new administration have been allocated to members of the outgoing government and the Phnom Penh establishment. Matak, for example, will act as his own defense minister. Foreign Affairs Minister Koun Wick retains that position, while National Assembly President In Tam is first vice premier and minister of interior. Matak's choice for second deputy prime minister in charge of economic affairs is Sok Chhong, the former director of the National Commercial Bank. Hang Thun Hak, the popular minister of community development, has retained that portfolio and also is third deputy prime minister. At the ministerial working level, however, Matak has filled the remaining ten cabinet slots with junior bureaucrats, most of whom seem to be relatively well qualified for their respective responsibilities.

The new administration should be able to get off to a relatively stable start. Now that they have helped contribute to the eclipse of some of the old guard, reform-minded elements in the capital are likely to be content to sit back for the time being and see how the new government performs.

SECRET

SECRET

25X1

The Military Situation

The Cambodians also registered some rare military progress during the week. Over a month after they set out to reopen Route 4, government forces—spearheaded by Khmer Krom troops—finally succeeded in making contact with the two Cambodian Army battalions that had been stranded at the Pich Nil pass. Only limited Communist resistance was encountered by the government troops as they moved into the pass area. No Cambodian truck convoys have yet tried to use Route 4, however, probably because there are still sizable numbers of Communist troops near Pich Nil.

Vietnam: Thieu Thinks Election

President Thieu's early re-election activities are centered on frequent image-building trips to the hustings. He is currently spending a day or two in the countryside each week, and plans three such trips a week as the election nears. In the manner of Western campaigns, he confers with local officials and mingles with the populace. He also makes a standard, hard-line, anti-Communist speech to evoke national pride, and enumerates the government's programs that reflect favorably on his stewardship in Saigon.

Thieu also apparently is trying to ensure the support of some usually progovernment political parties. Recently he reportedly urged labor leader Buu to organize his new Farmer-Workers Party (FWP) more quickly, and indicated that he would

support FWP candidates in this summer's Lower House elections. Earlier, Thieu suggested to leaders of the Revolutionary Dai Viet Party that he would back some of their candidates in the Lower House elections. Thieu's basic attitude toward party politics probably has not changed—he holds most politicians and parties in low esteem—and he still seems determined to rely primarily on other groups such as the government bureaucracy. He apparently realizes, however, that parties do have some influence in the country and that their support could decide a close election. With Vice President Ky's candidacy becoming more likely, Thieu may feel that there is now a greater chance for a tight race.

Thieu may also be concerned about support from the South Vietnamese Army—support he considers vital to his re-election.

25X1

Little Fighting For Now

A period of accelerated Communist activity, evidently set for early May, still has not gotten off the ground. Enemy forces along the coast in the northern provinces shelved or even called off many attacks that had been long in preparation with two notable exceptions: South Vietnamese territorial forces beat back a strong assault by

SECRET

SECRET

Communist regulars below Da Nang; and the Communists' stepped up rocket bombardment of Da Nang city and the adjacent air base.

Laos: Talking about Talking

25X1 In the first important political move in many months, the Communists this week proposed reviving discussions with the government to arrange peace talks.

The reaction on the government side was positive and with cabinet approval a cable was sent to Souphanouvong welcoming Souk's visit. No further word has been heard from the Communists, although speculation has already begun in Vientiane that Souk will be arriving there early this month.

The talks about peace talks last year were largely concerned with procedural questions, and both sides tried to gain the advantage before entering into substantive matters. The Communists proved fairly flexible, backing away from sweeping demands for a total bombing halt as a prelude to talks and accepting a face-saving formula on the question of whether Souvanna's negotiator would represent him as "prince" or as "prime minister." The preliminary talks broke down, however, when Souvanna rescinded his earlier agreement that the negotiations would be

conducted in the Communist-held town of Khang Khay on the Plaine des Jarres. The whole subject was suspended while Operation Lam Son 719 was being executed.

How seriously the Communists and the Laotian Government intend to push for talks this year and how flexible they are prepared to be in order to move the negotiating situation along will become clearer after Souk's arrival. The objectives of the NLHS presumably are still to lay the groundwork for a future settlement that will enable it to resume some participation in the Lao Government and, more immediately, to obtain a bombing halt or some other diminution of the war that is to its advantage.

Muong Phalane Falls Again

Three battalions of government irregulars were driven from the Muong Phalane area on 2-3 May by a North Vietnamese force estimated at five battalions. The irregulars, who had recaptured the town about six weeks ago after the Communists seized it in late January, withdrew westward to Dong Hene and have been moved back to their base camp for rest and refitting. One company of irregulars is still missing, however, and is believed to have suffered heavy casualties.

Communist propaganda has claimed that Dong Hene will be attacked after the fall of Muong Phalane. If the Communists follow past practice, however, they will be content with holding Muong Phalane during the rainy season, thus keeping government forces well to the west of the important Communist infiltration corridor through Muong Phine.

SECRET

SECRET

Communist China: *Face Saving or Face Lifting?*

The large May Day turnout in Peking last week shed little light on the intensified infighting that has wracked China's ruling elite over the past year. Instead, the regime's handling of three prominent absentees and its refusal to list the remaining politburo members who appeared alongside Mao Tse-tung and heir-designate Lin Piao in any sort of authoritative pecking order indicate that Peking is still unable to solve its difficult leadership equation.

The most notable absentees were politburo standing committee members Chen Po-ta and Kang Sheng. Chen, Mao's personal secretary, and Kang, the regime's top security specialist, played leading roles in Mao's sweeping purges of the old Communist Party apparatus. According to persistent rumors circulating in Peking's diplomatic circles, Chen and Kang were severely criticized at a major party gathering last fall, and both have been out of sight for some time.

Peking attempted to rationalize the absences with the lame excuse that some leaders were unable to be present due to "work or sickness." The Chinese have never before resorted to this device to explain the absence of important leaders. At this stage it seems premature to conclude that both men, long close allies of Mao, have been finally divested of all responsibility within the leadership, but their continued absence from public view strongly suggests that they have suffered a major setback.

The fluidity of the current leadership situation in Peking was also affirmed by the absence

from the ceremonies of politburo member Hsieh Fu-chih, who came under fire last year, presumably from leftist elements in the regime. Although Hsieh was appointed head of the Peking municipal party committee on 19 March, he did not deliver the customary address at the municipal congress and may not even have been present at the meeting. Hsieh's continued lingering in the shadows thus suggests that there is still some pulling and hauling going on within the leadership over his political status.

Signs of continuing strains throughout the leadership hierarchy were also evident in the sober regime commentary on domestic developments in the authoritative editorial marking May Day. The editorial's stocktaking of internal progress was surprisingly limited, particularly in view of the rapid quickening since last December in the formation of party committees at the provincial level and below—the first order of domestic business for the past two years. Instead of indulging in self-congratulation, however, the editorial stressed the necessity for senior cadre to improve their understanding of Mao's "revolutionary line," to combat resurgent revisionist influences, and to commit fewer mistakes. Such strictures have become the overriding theme in domestic propaganda in recent months, and their reiteration not only attests to the often broad gap between Peking's demands and the performance of local authorities but also reinforces the impression that fundamental differences over policy implementation are continuing to feed personal antagonisms at the top of the regime.

25X1

SECRET

SECRET

Philippines: *Protesters on the Move*

The fatalities during May Day demonstrations in Manila have set the stage for a new period of domestic turmoil. The Philippine student movement, which has been relatively quiet since February, fielded some 2,500 leftist students and workers in a protest over the policies of the Marcos administration. Despite advance warning that the group was inclined toward violence, only forces untrained in antiriot techniques were assigned to the scene at the Congress building. Firing into the crowd, the security forces killed four and wounded over 30, allegedly after the protesters hurled homemade bombs. An indignation rally set for 7 May promises to be massive, although the clear readiness of the government to take firm repressive measures could persuade radical organizers to ease off on provocative acts.

Student disaffection is based on conviction that President Marcos is using the presidential office for self-enrichment to the neglect of the country's pressing social and economic problems. Despite his repeated denials, suspicion is growing in the Philippines that Marcos intends to evade the two-term constitutional limit, which obliges him to step aside after his current term expires in 1973. This view is strengthened by the obvious efforts of President and Mrs. Marcos to control delegates to a constitutional convention that opens next month.

Student radicals have looked on the exercise in constitutional reform as an administration ploy to divert public attention from government shortcomings and as a tool for Marcos to further his own political ends. Student activism, currently limited by the absence of many students from Manila for the annual school holidays, could reach serious proportions after the new school year begins in July. Students no doubt will demonstrate then against expected increases in school fees, which were raised last year. If by mid-summer Marcos also has tried to push the constitutional convention into lifting the stricture against his continuance in office, the student temper could be considerably inflamed.

A Marcos decision to impose martial law in the face of persistent street action would have the immediate result of hardening battle lines and would have a widely adverse effect on public opinion. The government might be hard pressed to maintain security, although it certainly has enough well-trained forces to prevent a complete breakdown of law and order. In the longer run, a dramatic manifestation of popular disillusionment with the leadership could have a strong bearing on Marcos' final decision regarding a presidential term after 1973.

SECRET

SECRET

EUROPE

Soviet-US Relations: *Trade, Politics, and Violence*

A high-level Soviet economic delegation led by Deputy Minister of Foreign Trade Komarov arrived in the US on 5 May for a two-week visit. The 14-man delegation is composed largely of representatives of the motor vehicle and machine-building industries.

The primary purpose of the visit is probably to obtain advanced technology and equipment from US corporations for a heavy truck manufacturing complex to be built in the USSR. The Soviets have already conducted preliminary negotiations with some of these firms through intermediaries. The delegation will also try to encourage US businessmen to lobby for relaxation of licensing controls on the export of sophisticated manufacturing equipment to the USSR.

Anomalies in the arrangements for the visit, however, suggest that political as well as economic considerations may be involved. Most members of the present delegation were scheduled to come to the US several weeks ago, but their trip was postponed. No more was heard on an official level until 22 April, shortly after the sudden "thaw" in US-Chinese relations, when Soviet officials hastily began arranging visas for the delegation—only two weeks before it was to depart. Moreover, the composition of the delegation was upgraded by the addition of several high-ranking officials. Moscow's haste in upgrading the delegation, its timing, and other peculiarities suggest a link to Soviet concerns over the turn in American-Chinese relations and a desire to offset recent events.

Moscow apparently attaches considerable political and economic importance to the visit. It has been arranged despite recent warnings from both Foreign Minister Gromyko and Ambassador Dobrynin that curtailment of Soviet delegations

to the US is being given "serious consideration" because of continued harassment and violence directed against Soviet officials here.

Some curtailment of cultural exchanges has already occurred. The Soviets have refused to approve a previously arranged trip for a US performing group, contending that because "conditions" in the US had forced cancellation of the 1971 Bolshoi Ballet tour, the USSR should not be obligated to receive US groups. In addition, the Soviets have balked at permitting a US technological exhibit, stating that harassment in the US may force cancellation of a similar USSR exhibit.

The Soviets obviously believe that they have been restrained in their reaction to attacks on Soviet personnel, fire-bombings of their automobiles, bombings of Soviet offices, and other such harassment. What seems to irritate them especially is the fact that many of those responsible have thus far escaped punishment. The Soviets are prone to regard the inability of the US Government to interfere effectively in these local judicial matters as calculated "connivance" by Washington in the harassment. The fact that most of the harassment is carried out by Jewish militants only makes matters worse in Soviet eyes.

Should the attacks and harassment continue, further deterioration in the atmospherics of Soviet-US relations is likely—including additional curtailment of cultural exchanges and retaliation in Moscow against US officials and citizens. But, as the visit of the economic delegation suggests, ^{25X1} Moscow will not abandon those exchanges and other contacts it considers to be in its own interest.

SECRET

SECRET

Civilian R&D Still Troubles Soviets

At the 24th party congress Brezhnev continued to show concern over the persistent problems of assimilating new technology into civilian production, stating that "the weakest links (in technical progress) are those which connect the achievements of science with their practical realization and utilization in mass production." Eleven decrees were issued on this subject during 1965-70, but these have failed to effect any dramatic improvements in applied civilian research and development (R&D).

Faced with declining factor productivity (labor and capital) in industrial production since the late 1950s, the Soviets have been aware that more rapid introduction of modern technology is needed to reverse this trend. Despite claims by Brezhnev that a "planned socialist economy opens the widest scope to the all-sided progress of science and technology," efforts have been hampered by the ineffective organization of the scientific and technical sector as well as by the criteria used to judge the performance of research and design institutes and industrial enterprises.

Over-all civilian R&D goals are centrally planned, and there is insufficient coordination between the scientific researcher, the designer, and the final user at the enterprise level. The researcher and designer receive little feedback regarding the success or failure of their inventions and the user has little control over the design of equipment received. In addition, technological advancements are usually planned on an enterprise-by-enterprise basis with little thought to broader applications.

Some aspects of the incentive system further hinder coordinated R&D efforts. Researchers' and designers' rewards do not depend on the usefulness of their inventions. Enterprise incentives focus on short-run goals for output, profits, and sales fulfillment, thus discouraging disruptions of the productive process and extensive outlays of funds for new equipment.

The 11 decrees that have been issued reflect the regime's deep concern over the problem but also show that the Soviets have not developed a consistent approach for reaching a solution. Some provisions extend the role of centralized control, while others grant more autonomy to directors of scientific organizations. One promising provision encourages linking research, design, and testing, and bases rewards on the effectiveness of a new development. With the exception of industry-wide reform in the electrotechnical industry, however, the effects of the decrees appear to be negligible.

In many cases, imported technology provides only a short-run solution, bypassing applied R&D channels and meeting the same resistance at the enterprise level as new Soviet technology. Future efforts at speeding the implementation of new technology will largely depend on the integration of research institutes, design organizations, and enterprises. Removing enterprise resistance to new technology will probably require restructuring incentives to reward innovation, and adjusting prices to compensate for the initial high costs of new methods of production.

25X1

— ♦ ♦ ♦ —

SECRET

SECRET

East Germany: *Passing the Torch*



Walter Ulbricht

Erich Honecker

"The years are demanding their due and do not allow me any longer to carry out such demanding activity as that of Central Committee First Secretary."

With these words Walter Ulbricht prefaced his resignation on 3 May from the top party post in favor of his protégé, Erich Honecker.

There are numerous reasons why the change came about at this time. Besides his age and its accompanying infirmities, Ulbricht's penchant for overambitious economic plans had become a domestic irritant. Moreover, the Soviets were annoyed by his obstructionist attitude regarding East-West negotiations. Given these circumstances, the 78-year-old leader apparently felt that it was expedient to implement his carefully nurtured plan for an orderly transfer of authority, an unprecedented event in ruling Communist circles. Ulbricht is now chairman of the party, a new, honorary post, as well as chairman of the Council of State. While neither of these posts as such confers meaningful political power, Ulbricht may continue to wield influence on key questions.

Honecker became a politburo member in 1958, and diligently worked at advancing his own career. No matter was too small or too great for his attention. His activities ranged from dealing with citizens

seeking permission to visit relatives in the West to the substantial task of supervising secret preparations for the erection of the Berlin Wall in the summer of 1961. In addition, he has been the party's cadre chief and has had responsibility for all security matters. Honecker is skilled at political maneuver, and has a strong personal following in the party.

At a central committee meeting last December, Honecker joined with a consensus of politburo members who favored economic policies placing high priority on a balanced economy and an improved standard of living for East German workers. This contrasted with Ulbricht's position, which emphasized developing a few select industries such as computers and chemicals. Honecker so skillfully handled this turning point in relations with Ulbricht that there were no visible signs of disruption within the party.

The USSR was the first of East Germany's allies to congratulate Honecker warmly. Less effusive congratulations from other Eastern European capitals followed. Initial domestic reaction apparently favors the changeover.

25X6

Honecker's previously expressed views on foreign policy, however, give little indication that Pankow will alter its hard-line position on relations with the West. In his maiden speech as party first secretary on 3 May, Honecker reiterated East Germany's demand that Bonn ratify the treaties with the USSR and Poland prior to a settlement on Berlin. Nevertheless, Honecker does not have Ulbricht's prestige in Moscow, and should the Soviets decide to move in the stalemated Berlin negotiations, the key to European detente, Honecker would have little choice but to go along.

25X1

SECRET

SECRET

Polish Church-State Discussions Intensify

A three-way dialogue—between the Polish government, the Polish episcopate, and the Vatican—is under way regarding the complicated status of church property in the former German territories. This issue has been the main obstacle to the normalization of church-state relations for 25 years. Both the government and the episcopate want the Vatican to recognize the Polish church's jurisdiction over dioceses in these areas, but the Vatican prefers to delay any decision until after the Polish - West German nonaggression treaty is ratified. All sides realize that Vatican action in this matter would amount to de facto recognition of Poland's postwar borders.

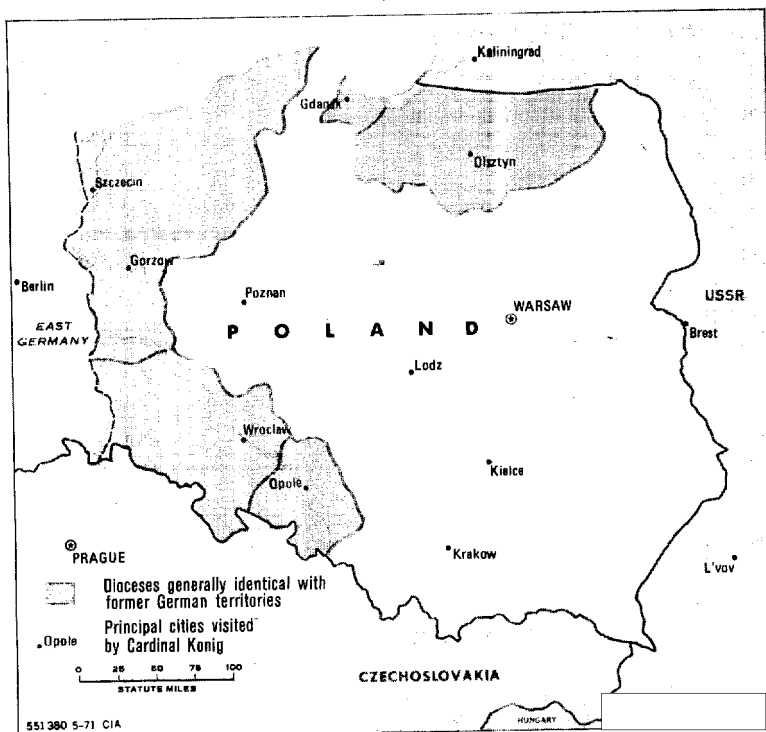
The new Polish leadership announced in January that documents were being prepared that would legally transfer to the episcopate property rented by the Polish Church in the western and

northern territories. Three days later Bishop Dabrowski, the episcopate secretary, was assigned to negotiate the transfer with state representatives.

The property transfer cannot be completed, however, until the Vatican is persuaded to allow the Polish church to establish permanent dioceses in the former German territories. These dioceses now have a temporary status and are subordinate to the Roman Curia rather than to the Polish episcopate. Several members of the Polish ecclesiastical hierarchy have been to Rome this year to plead their case, and Bishop Dabrowski was received by Pope Paul only this week. Moreover, an official Polish Government delegation—the first since World War II—met with Vatican officials in Rome last week. The details of the three-day session were not divulged, but the two sides did agree to have future talks.

The Vatican has resisted pressures from both the Polish Government and episcopate for a resolution of the question. Even though it favors the normalization of Polish church-state relations, it does not want to offend German Catholics. Some members of the Curia, however, appear to be less concerned about German sensibilities on this issue. Cardinal Koenig of Vienna, for example, made his position clear during a tour of the disputed Polish territories last week when he referred in speeches to "this land of yours—your western territories."

Many other points of friction between the episcopate and the regime will have to be mediated before a complete normalization of relations can occur. These include disputes in the fields of religious education, the religious press, taxes, and church construction. There has been some limited progress in these areas recently

**SECRET**

SECRET

and a willingness on both sides to communicate.

The Polish leadership has been accommodating because it wants to increase its popular sup-

port and to gain tacit Vatican certification that the former German territories are indeed Polish. This latter goal has taken on added importance in view of the uncertainties surrounding the ratification of the Bonn-Warsaw treaty. [REDACTED]

25X1

◆ ◆ ◆

Yugoslav Regime Confronts Internal Problems

Deeply angered by growing regional chauvinism, criticism of party reforms, and noncompliance with economic stabilization measures, President Tito has been forced into using his considerable prestige to demand forceful corrective measures. This obviously personal tactic, although potentially effective, is a temporary setback to Tito's efforts to institutionalize the choice of his eventual successor as well as to his plans for a new decentralized federal system. Tito has already received the party leadership's general endorsement for the program and regional party support seems to be falling into place, but there are signs of resistance from other quarters that could pose a test of wills.

Last week the party presidium was summoned to Tito's Brioni retreat for three days of private discussions on internal problems. The deliberations ended in apparent unity on the gravity of the problem but seem to have failed to produce a comprehensive scheme for corrective action. Some vague steps were announced, which included plans for convening, at an unspecified date, a party conference on ideological unity and organizational strength. There was also a call for correction of "shortcomings" in the internal security apparatus, and an announcement of a firm policy for checking the "destructive criticism" emanating from the national press. Moreover, the presidium ordered heightened vigilance against foreign attempts to undermine national unity.

The day after the presidium announced its position, Tito took his case to the people. Speak-

ing at a May Day celebration in Labin, he blasted critics of his reform program, demanding stern measures against irresponsible media, student dissidents, and those managers who ignore centrally imposed economic stabilization measures. In the latter case, Tito threatened a sweeping purge that "will probably take a few months." This announced plan for extensive personnel changes could be counterproductive, lead to further delays and confusion, and in the end weaken the President's ability to carry through his political and economic programs.

Tito also said there would be party cadre changes and a "regrouping" of the federal government. He indicated that he wants to transform the party into a unifying force around which the federation can be safely decentralized.

Regional party support for Tito's position seems assured. The Croatian party, which has been the focus of criticism, has called for a central committee plenum on 11 May, presumably to discuss the full implications of the presidium's position, and to take appropriate action. In general, federal government organs and some republic governments have agreed with Tito's calls for stern measures.

Student leaders, on the other hand, are showing no inclination to knuckle under to pressures against their opposition to constitutional reforms and their independent political activities. [REDACTED]

25X1

◆ ◆ ◆

SECRET

SECRET

Soviets Put Pressure on Berlin

Soviet efforts to bring pressure on Bonn to change its position on the Berlin negotiations have recently received considerable attention in the West German (FRG) press.

The press has cited as examples of these pressure tactics the Soviet refusal on 5 March to conclude a trade agreement covering West Berlin, and the suspension of Soviet-FRG talks on an air traffic agreement involving the use of Berlin airports on 24 March.

More recently, the Soviets have rejected the FRG contention that Abraham Kopelowicz, a West Berliner arrested in Moscow on 8 March, is

entitled to consular protection from the West German Embassy. Concurrently, the Soviets refused to certify the documents of a West Berliner who wanted to marry a Soviet citizen, on the grounds that the Berliner's documents stated that he had German nationality. The Soviet Embassy contended that the individual in fact possessed "West Berlin" nationality. These Soviet actions are assertions of Moscow's position that West Berlin citizens have a unique status. They are probably aimed at making more attractive to West Germany the Soviet draft treaty of 26 March, which offers to permit the FRG to provide consular services for West Berliners abroad. [REDACTED]

25X1

ROMANIA: The Romanian Communist Party will celebrate its 50th anniversary on 8 May. General Secretary Ceausescu undoubtedly will reassert Romania's independent policy line, as he did last month at the Soviet party congress, in a further effort to discredit Western press reports that Bucharest is returning to Moscow's fold. At the same time, Ceausescu probably will rebut charges from other Communist parties, led by the

CPSU, that Romania's frequent refusal to co-operate with them in broader economic schemes represents a narrow nationalism. The Romanians will claim that their efforts to maintain good relations with Communists of all persuasions in fact makes them true internationalists. The celebrations may shed some light on what seems to be an increasing trend toward a Ceausescu personality cult. [REDACTED]

25X1

MARITIME ISSUES: Recent developments indicate growing problems for the US—and the USSR as well—over the issue of the "innocent passage" of nuclear vessels through territorial waters, including international straits. Spain, which raised the subject at a UN meeting in March, maintains such activity violates the 1958 Geneva Convention. Its position this week has been endorsed by Ethiopia. Brazil, which claims a

zone of 200 miles for its territorial waters, has issued regulations that assert a right to inspect nuclear-powered ships entering the zone. No attempt has yet been made, however, to enforce these new rules. Brazil wields a great deal of influence in Latin American and African maritime discussions, and its example could induce similar moves by other states. [REDACTED]

25X1

SECRET

SECRET

NETHERLANDS: The governing four-party coalition, which fell two seats short of a parliamentary majority in last week's national election, has apparently begun efforts to add another party to its ranks. Soon after the returns were in, a right-wing socialist party with eight seats announced its willingness to negotiate with the coalition—the three confessional parties and the liberals. Should these negotiations fail, it is possible that, with passive cooperation from almost any of the 14 parties that won parliamentary representa-

tion, a viable minority government of the confessionals and the liberals might still be formed. Thus, a call for new elections by leaders of the Labor Party, now the largest in parliament and nominal leader of the opposition, is premature. The lower house will attempt on May 11 to suggest a government formateur to the Queen, but cabinet formation is typically a lengthy process in Dutch politics and the present case should be no exception.

25X1

USSR-GUINEA: The five-month Soviet naval presence off Guinea has ended, at least for the time being. A small Soviet force went there to buttress President Sekou Toure after the Portuguese-led attack on Guinea last November. The two Soviet destroyers and an oiler that had main-

tained the patrol since early April entered the Mediterranean this week. Other Soviet warships probably will continue to make infrequent cruises in west African waters and to exert political influence in the area by making friendly port visits.

25X1

MIDDLE EAST - AFRICA

Egypt: *Falling Out at the Top*

Vice President Ali Sabri raised his opposition to President Sadat's policies from sniping to an open challenge last week and got himself fired for his pains.

Strains appear to have been building up for some time between the President and Sabri, who had received only a nominal office in the post-Nasir administration. At a meeting of the Arab Socialist Union (ASU) central committee on 25 April, Sabri intemperately questioned Sadat's justification and authority for agreeing to Egypt's entry into the Federation of Arab Republics without prior consultation with the ASU. Sadat had handled the arrangements for the federation pretty much on his own for larger political reasons, apparently confident that he would receive pro forma approval from Egypt's political institu-

tions, including the ASU. He was therefore vulnerable to Sabri's outspoken criticism of the compromises worked out with the Syrian and Libyan leaders and, failing to rally support from other ASU officials, he had to submit to some of the changes demanded of him. The open challenge to his authority required a response, however, and within a week Sabri was out.

In dealing with the Sabri-ASU challenge, Sadat and others within the hierarchy must have recognized that a more basic issue between the two was Egypt's current effort to explore the possibility of a peace settlement with Israel, against which an ASU-based campaign has been operating for the past several months. A purge of Sabri's followers in the ASU is likely to follow in the near future. It is reasonably certain, however,

SECRET

SECRET

that political repercussions will be largely confined to this organization, where Sabri's supporters are concentrated.

Sadat's position has probably been strengthened by removal of this vice-presidential gadfly—assuming that the dismissal holds, which at the moment seems likely. Both Sadat's supporters and detractors cannot but have been impressed by the decisiveness with which he cut down an increasingly embarrassing critic. Sabri's ouster leaves the other vice president, Husayn Shafii, as Sadat's undisputed constitutional successor.

Assessed as a lightweight by many political observers when he assumed office last October, Sadat now seems to be exercising leadership with an increasingly firm hand. When he moved against Sabri, Sadat was no doubt confident of the support of both the army and Minister of Interior Goma, who controls the security apparatus and is one of the three or four key figures in the regime.

Sabri's prominent identification with the Soviet Union is an embarrassment for Moscow, particularly in view of the coincidence of Sabri's dismissal with Secretary Rogers' visit to Cairo this week.

The Soviets probably recognize the challenge offered to Sadat by Sabri and by the ASU politicians as being out of bounds, although this will not greatly mitigate their discomfiture. Moscow is already nervous about ongoing US-Egyptian contacts. The dismissal of Sabri, and presumably his principal followers in the ASU, will probably sharpen Soviet apprehensions about the direction of current Egyptian policy and prompt Moscow to seek further reassurances from Cairo. Over the longer term, Sabri's ouster is unlikely to do much damage to Soviet-Egyptian relations. Soviet fortunes in Egypt do not rise and fall with one man. The

commitments that Moscow has made to Cairo ensure it a continuing position of substantial influence.

Sadat's May Day Speech

The lengthy and elaborate praise of the Soviet Union in Sadat's May Day speech may have been yet another attempt to assure Moscow that there were no anti-Soviet implications in Sabri's dismissal. Sadat's forthright defense of the federation and of Cairo's efforts to explore the possibility of a political settlement with Israel may be interpreted as a public response to Sabri and other critics of Sadat's policies in the ASU.

Portions of the address relating to the suspended hostilities seem to have been intended to set the tone and the terms for Egypt's position during the talks with Secretary Rogers. With regard to reopening the Suez Canal, Sadat reiterated points made in his initiative of 4 February, insisting on Egypt's right to deploy its armed forces on the eastern bank and on a definite limit on the cease-fire period during which Jarring would set a timetable for complete Israeli withdrawal. As to the conditions for an over-all settlement, Sadat categorically rejected the demilitarization of the Sinai and any form of an Israeli presence at Sharm ash-Shaykh.

Although the speech contained no hint of change in past Egyptian positions, it was notable for the low level of histrionics and sabre-rattling. Although the option of resuming hostilities was kept open, Sadat did not dwell on the consequences if peace discussions should fail. As Cairo prepared to welcome the US Secretary of State, *Al Ahram* editorially stated the general Egyptian expectation that, following his visit, "America can bear the responsibility, before the world and before history, about what will happen in the region."

SECRET

SECRET

ISRAEL: Israel's hard line against withdrawal was reiterated by minister without portfolio Israel Galili in an interview published on 30 April. Referring to Secretary Rogers' trip to the Middle East, Galili said "If, in fact, there are still those... who comfort themselves with the hope that Israel's position can be worn down, or softened by compensation or temptation, we will make it clear to him that he cannot rely on these hopes."

Egyptian President Sadat's May Day speech received extensive treatment in the Israeli press. Commenting on Sadat's demand that Egyptian

troops must cross the Suez Canal upon Israeli withdrawal, the press said that this would put an end to hopes for a Suez agreement in the near future. Some papers, however, saw the Egyptian President's demand as a negotiating ploy and noted that a number of Sadat's stern statements left the door open for detailed clarification. Secretary Rogers' talks in Israel were expected to be "strenuous, but friendly." The influential *Haaretz* reported that Israel will stand on its position that Egypt must guarantee not to resume hostilities and not to cross the canal. [REDACTED]

25X1

Yemen (Sana): *A New Government Faces Old Problems*

Yemen's first elections, carried out earlier this year, produced a relatively moderate government staffed by veteran politicians. The deep-seated domestic problems of this small Arabian republic, however, will yield to no quick solution, and foreign policy is hampered by the awkward position that Yemen occupies in the civil war smouldering in Southern Yemen.

The parliamentary elections, largely an exercise in public relations, had little bearing on the formation of the new government, other than providing a sounding-board of basically conservative opinion in the "legislative" body. The cabinet, made up primarily of incumbents of previous republican governments, is a balance achieved in behind-the-scenes maneuvering by established power factions. The prime minister, Ahmad Numan, at 71 is one of the oldest republican leaders as well as one of the first to rebel against the former royalist regime. Government policy, therefore, is expected to be conservative.

The government will be challenged by problems in five major areas: Numan's need for a good

relationship with General al-Amri, a member of the three-man executive Republican Council and head of the army; the general economic situation, still aggravated by the war and the aftermath of a long drought; the attitude taken by the leftists who feel betrayed by the slow pace of the revolution; the success (or lack of it) of the institutional machinery created by the new constitution; and finally, developments in the unpredictable state of Southern Yemen, now called the Peoples Democratic Republic of Yemen (PDRY).

Yemen has become awkwardly embroiled in Saudi Arabia's attempt to subvert the PDRY by subsidizing dissidents who operate from both Yemen and the southern fringes of Saudi Arabia. Both Yemens have made efforts toward union, each on its own terms, but the timing has always been such that the political systems were irreconcilable. Yemen's current involvement in the Saudi Arabian effort derives from its dependence on Saudi aid and goodwill, but its association is causing it much embarrassment with the more radical and powerful Arab states as well as posing the dangerous possibility of future military clashes with its southern neighbor. [REDACTED]

25X1

SECRET

SECRET

Pakistan: *Fighting Subsidies, Economic Problems Increase*

West Pakistani troops have taken almost all important towns in East Pakistan, although some areas are still under Bengali control and some fighting continues. Direct government control, however, is still limited to major population centers and a few other strategic points. There are now more than 50,000 government troops in the province, but they could easily be tied down by garrisoning and protecting what the army now holds. Most of the 62,000 villages are still subject only to indirect control through economic and military reprisals.

Incidents of sabotage and ambush by the largely unorganized Bengali forces are likely to continue. With little leadership and no province-wide coordination, however, the Bengalis probably will be unable to wage a full-scale guerrilla war for some time.

In the meantime, the government faces growing economic problems in both parts of the country and potential political problems in West Pakistan. Z. A. Bhutto, whose party won a majority of the West Pakistani races in elections last December, has publicly warned the military government against any "inordinate and unnecessary" delay in transferring power to the elected representatives.

A World Bank official has said that Pakistan needs sharply stepped-up aid from the West to avoid economic collapse. Islamabad has been informed, however, that any support from Western donors would depend on a return to normal in East Pakistan, on exchange and fiscal reforms,

and on the development of a plan to transfer resources on a massive scale to East Pakistan. The bank official noted that, in general, the Pakistani Government had not been aware until recently of the seriousness of its over-all financial situation—domestic finances are also in very bad shape—and that hopes for economic recovery were still based on unrealistic assumptions about making up for lost exports and taxes.

Islamabad, in one way or another, has managed to outrage all important aid donors other than Communist China. In a clarifying statement on its recent decision to apply a six-month moratorium on debt repayments, the government has indicated that the moratorium will apply to Communist creditor nations as well as to official Western creditors.

Economic activity is picking up in East Pakistan, but the situation remains grim. Prices of all major commodities increased substantially in Dacca in the last week—rice by 13 percent and kerosene by 81 percent. Lines of communications remain disrupted, with only 54 percent of the rail network in service. On the positive side, exports of jute, Pakistan's main foreign-exchange earner, have slowly begun to get under way, and 15 of 51 jute mills in the major urban areas are attempting to begin one-shift operations.

Relations between New Delhi and Islamabad continue to be characterized by charges of border violations and diplomatic maneuvering for third-country support. As of 6 May, the fate of Indian diplomats in Dacca and Pakistani diplomats in Calcutta had not been settled, according to the Pakistanis because of "India's intransigence and inability to fulfill the assurances given Pakistan."

SECRET

SECRET

25X1

Peking Courts Turkey and Iran

Communist China's campaign to expand its diplomatic contacts world-wide and to win votes for admission to the UN is gaining ground in Turkey and Iran.

Direct Sino-Turkish talks on establishing diplomatic relations started in Paris around 22 April.

The Turkish foreign minister has predicted that the talks will take a long time, but the Chinese undoubtedly are eager to gain recognition before the next session of the UN, and may continue to demonstrate the flexibility concerning recognition formulas that they exhibited recently in establishing relations with Kuwait and Cameroon.

Iran's interest in establishing diplomatic ties with Peking became obvious with the recent visit to China of the Shah's twin sister, Princess Ashraf, and the Shah's remarks to Japanese and Egyptian newsmen indicating that Iran was studying the question of recognition. Princess Ashraf has left little doubt that she will recommend diplomatic relations. Teheran has followed up her visit with one by the Shah's half sister, Princess Fatimah, who arrived in China on 29 April. During a banquet in her honor in Peking the next day, Premier Chou En-lai remarked that friendly Chinese-Iranian relations had "begun to be re-established."

Both Turkey and Iran regard Communist China as a possible balancing factor in their relations with the Soviet Union and they are unlikely to be overly concerned about the possible effects of recognition on issues at the United Nations. The Turks also reportedly believe that recognizing Peking would gain them the potential support of Peking and its friends for Turkey's position on Cyprus, which would be eventually translated into support at the UN on the issue.

Despite statements by Iranian and Turkish spokesmen that their governments wish to preserve their relations with Chiang K'ai-shek's regime on Taiwan, both Teheran and Ankara probably are counting on Chiang's breaking off relations with governments recognizing Communist China to save them from the potential diplomatic embarrassment of publicly forcing the Nationalists to leave.

Recognition by Turkey and Iran will increase pressure on other Middle Eastern governments to follow suit. Lebanese leaders apparently would prefer to put off an early decision, but Beirut's foreign minister recently revealed that recognition of Communist China by Kuwait had already increased internal pressure for Lebanon to make a similar move. Pressure on Libya, which is attempting to build an image as a "liberated" Arab state, may also increase.

SECRET

SECRET**Turkey: Military Grip Tightens**

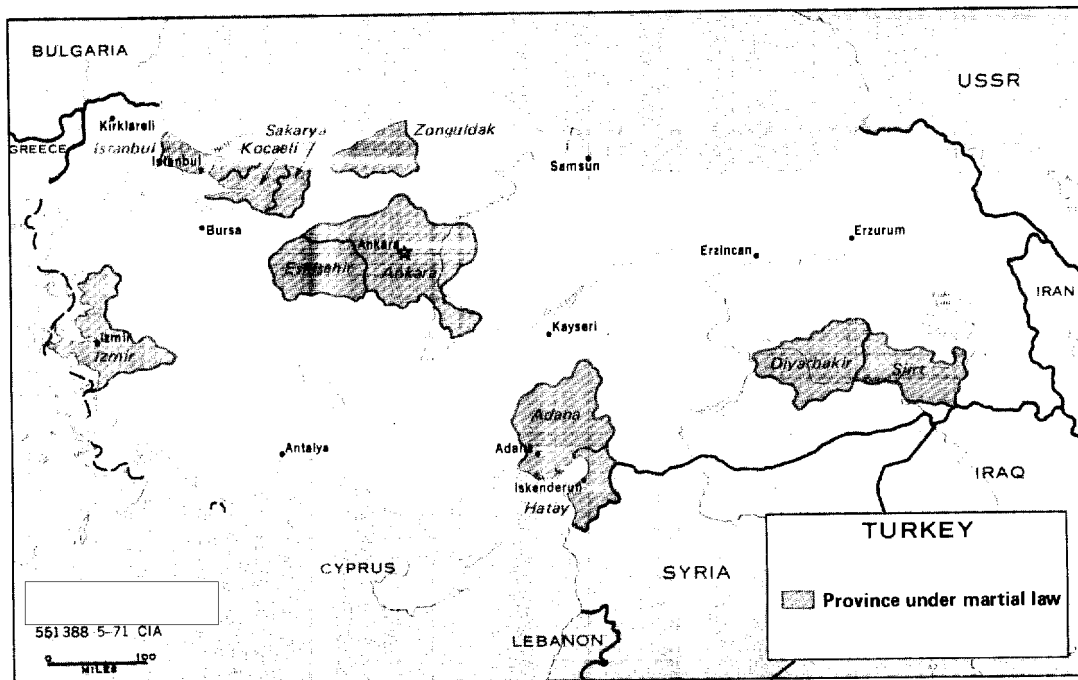
In the two weeks since the new government invoked limited martial law, the military has significantly tightened its grip over major trouble centers, particularly Ankara and Istanbul. The restrictions have been applied primarily to extremists, however, and inconvenience to the public has been kept to a minimum. As the domestic security situation has improved there has been a perceptible growth of public confidence and optimism.

In their crackdown on both the left and right, the martial law authorities have banned several newspapers and have arrested over 200 persons, including at least 25 military students and junior officers. In Ankara alone more than 20 student organizations have been banned. All labor strikes and lockouts are forbidden. At the same time, many schools and universities are being reopened and, for the first time in several years,

students are able to take their spring examinations in a peaceful atmosphere.

Military leaders are also inspecting Kurdish areas where unrest has been reported. Raids in Kurdish villages in eastern Turkey are said to have uncovered substantial quantities of arms, ammunition, and explosives, but the threat of a Kurdish separatist movement appears to be exaggerated. In parliament, a new and tougher martial law bill being processed will substantially increase the powers of search, seizure, arrest, and trial.

Despite martial law, sporadic violence continues. Six explosions occurred in Ankara in a single night. On 3 May a bomb thrown from a moving train in Istanbul injured four and endangered the lives of over 1,300 visiting businessmen, most of them foreign nationals.

**SECRET**

SECRET

It has become increasingly clear that martial law will be extended beyond the initial 30-day period, probably for several more months. The declared objective is a total "cleansing" of extremist elements from Turkish society.

25X1

Cyprus: *Intercommunal Talks Still Flounder*

Intercommunal talks, stalemated for several months, recently hit a new low, brought about this time by Greek Cypriot statements favoring "enosis" (union with Greece) and the deliberate Turkish omission of the word "provisional" in referring to the Turkish Cypriot Provisional Administration. Nevertheless, neither the Greek nor Turkish Cypriots appear willing to bear the onus for ending the talks that were reopened on 28 April. Moreover, Ankara and Athens, not wanting to risk another clash over Cyprus, have encouraged both sides to continue meeting.

Turkish Cypriot negotiator Rauf Denktash, after consultations with Ankara, on 28 April restated the Turkish Cypriot position on the whole range of constitutional issues that have occupied the talks for almost three years. The most striking aspect of the Denktash proposal is the insistence on local autonomy provisions that, if implemented, would essentially give the Turkish Cypriot minority a more separate and equal partnership than that granted under the 1960 constitution.

Although Denktash did not press for any preconditions for further negotiations, his Greek Cypriot counterpart, Glafkos Clerides, believes

Denktash's proposal is unyielding in substance and doubts that continued discussions will be useful. Clerides maintains that the Denktash proposal highlights the basic difference in the fundamental approach to the problem by the two sides: a unified government on the island as opposed to two communal administrations. He added that a meeting in Athens will be necessary before the Makarios government can decide on its reaction to the Denktash proposal. Such a Greek - Greek Cypriot discussion probably cannot be held before 17 May when the next intercommunal meeting is scheduled.

The Turkish Cypriots, on the other hand, are more self-confident because of reinforced backing from the new Erim government in Ankara. Erim has indicated that Turkey is frustrated over the lack of progress in the intercommunal talks. He said he wanted direct talks with Greece on the problem, but admitted that, in the absence of adequate preparations, such discussions are not possible at this time. Nevertheless, Erim agrees that until a satisfactory compromise solution to the Cypriot stalemate can be found, the communal talks must continue in order to maintain a climate of good relations between Athens and Ankara.

25X1

SECRET

SECRET

WESTERN HEMISPHERE

May Day in Latin America

May Day events in Latin America were on a larger scale, more demonstrative, and more numerous than in many years. Leaders of at least eight countries addressed large crowds. Parades and demonstrations with nationalistic themes occurred in about a dozen countries, but there was little violence.

President Allende shared the rostrum in Santiago with Chilean Cardinal Silva, the Cuban and Soviet ambassadors, and other dignitaries, but Fidel Castro stayed at home and addressed a rally in Havana. Allende's speech was moderate and cautious. With only minor exceptions he eschewed "anti-imperialist" rhetoric and emphasized his administration's desires for a "humane revolution."

In Bolivia, President Torres did not speak, but he marched in a massive parade in La Paz with more than 15,000 workers and students. There was no violence, however, probably because Torres had anticipated leftist demands by canceling the concession of a US-owned mining company the day before.

Guyana's Prime Minister Burnham marched with workers in the capital, and in response to

criticism from the crowd, he delivered an angry speech. In a mining center in the interior, workers successfully defied the government's efforts to ban what became the largest May Day parade on record there.

General Torrijos of Panama delivered a lengthy address to a sizable crowd in a provincial town, and parades and demonstrations with government backing occurred in major cities. In his most quoted remark, Torrijos said that he and the Panamanian Government would enter into negotiations about the Panama Canal "on our feet or dead, but never on our knees."

President Figueres of Costa Rica delivered his state of the union speech in San Jose following the largest May Day parade in recent years. President Lanusse was the first military ruler of Argentina since Juan Peron to address a May Day crowd. He spoke at the inauguration of a new national university and discussed some of his programs that are designed to return Argentina to constitutional rule. Brazilian President Medici announced an increase in the minimum wage, which he said was consistent with his goal of improving the lot of the workers. Venezuelan President Caldera discussed measures that his government has taken on labor matters.

25X1

♦ ♦ ♦
Cuba: *Castro Reasserts His Leadership*

Fidel Castro is showing signs of resuming the vigorous style of leadership that he abandoned in mid-1970. His recent spate of speeches—five in two weeks—suggests that he is rapidly regaining the confidence that was shaken by last year's economic setbacks. His launching of a strident campaign against intellectuals, too, is reminiscent of his aggressive reaction to past challenges. In addition, the newly announced housing construction

plan contains the same overoptimism characteristic of his previous economic schemes.

Cuban intellectuals, in particular, are in for trouble. Reacting to events related directly to the recent arrest of poet Heberto Padilla in Havana, Castro delivered a vehement denunciation of intellectuals and "cultural colonialism" in a major speech on 30 April at the closing session of the

SECRET

national congress on education and culture. He gave a severe tongue-lashing to European and Latin American writers and artists who leaped to Padilla's defense and also criticized the wasting of precious resources on "useless, decadent books" written by a "privileged minority" in Cuba. Although Castro characterized dissident intellectuals at home as only "two or three stray sheep" who want to "continue to sow poison, insidiousness, and intrigue in the revolution," it is clear that intellectual ferment is much more widespread. Castro's pronouncements are a forewarning that the "small group that has monopolized the title of 'intellectual'" will find the publication of its works impossible unless it adheres to the political guidelines demanded by the regime.

The congress' final resolution reflected much of Castro's antipathy toward writers and artists and also indicated the regime's concern with the impact on Cuban youth of such foreign cultural influences as "extravagant fashions, religion, and moral and sexual deformations...." Although it stated that "neither religion nor homosexuality is an important obstacle to the development of Cuban youth," the resolution proposed a plan "to prevent religious sects from proselytizing and making new converts" and specified the "socially pathological nature of homosexuality...."

Castro's new moves against intellectuals could affect directly Haydee Santmaria, the government official responsible for inviting foreigners to participate in Cuban literary competitions; these have been a special target of Castro's wrath. She is a member of the central committee of the Communist Party and has been a faithful follower of Fidel since the early years of the revolution.

Castro's May Day speech was directed more toward economic themes. Although he now seems



Fidel at the Podium.

to have adopted a long-term view regarding the achievement of significant material benefits, he apparently has retained his penchant for overestimating the productive capacity of the people. In his May Day speech, for example, he revealed plans for a schedule of house construction that calls for 100,000 homes a year by 1975. Castro may be using this as a device to buy time in the face of a steadily worsening housing shortage, but he could wind up in much the same position in which the unfulfilled commitment to produce ten million tons of sugar in 1970 placed him. Such a monumental building program is doomed to failure if, as Castro maintains, it must be carried out by underemployed workers and without a major diversion of resources of the construction industry.

25X1

♦ ♦ ♦
SECRET

SECRET

Central American Common Market: *Another Try to Save It*

Diplomats from El Salvador and Honduras are preparing for what may be the final attempt this year to normalize their relations and repair the damage done to the Central American Common Market by their war in July 1969. Having agreed at last month's OAS General Assembly to discuss all outstanding issues, both sides are drawing up position papers for presentation at a bilateral meeting scheduled for 20 May.

Previous attempts to resolve bilateral problems have floundered because neither side was willing to address the subject of greatest importance to the other. Thus, El Salvador has placed primary emphasis on ending Honduran blockage of the Pan American Highway to Salvadoran traffic, while Honduras has insisted on discussion of the border dispute as a precondition to negotiation of any other issue.

Common Market talks have thus far proven equally fruitless. Honduras, believing it has benefited least from Common Market membership, has demanded that the other member states give special assistance to its industrial development. Moreover, concerned about its deficit position in

Common Market trade and the resultant balance-of-payments problems, Honduras has refused to participate in the market until corrective steps are taken to end these imbalances. El Salvador, however, has blocked such concessions and is unlikely to change its position until it can achieve some of its political objectives. In order to end the impasse, the current negotiating effort will attempt to arrange a package deal incorporating trade-offs on bilateral and Common Market issues.

Although there have recently been some border incidents, and hard-line elements in both countries will continue to oppose any compromise, there exists at present a particularly favorable negotiating climate. President-elect Cruz of Honduras has taken an active interest in the problem and would like to begin his administration having resolved his country's major foreign policy problems. The Salvadorans realize the urgency of reaching an accommodation before July, when preparations for the 1972 elections will reduce government flexibility. Moreover, the neutral three—Nicaragua, Costa Rica, and Guatemala—will exert whatever influence they can to promote an agreement.

25X1

Guyana: *End of Bauxite Strike?*

The 13-day wildcat strike by workers of the Demerara Bauxite Company (DEMBA) ended on 3 May, relieving the Burnham government, at least temporarily, of the most pressing of several related problems confronting it. If Burnham disappoints the workers' expectations, the strike could resume, costing the government public confidence and provoking more problems that the political opposition could exploit.

were increasingly exasperated by the government's failure to satisfy their wage and pension demands and dispel apprehensions about their status when the Canadian-owned company is nationalized. Their belligerent response to the arrest of some strike leaders and threats of police action to maintain law and order during the strike bodes ill for the future if the walkout resumes.

Cheddi Jagan, Communist leader of the People's Progressive Party (PPP), and the black militant African Society for Cultural Relations with an Independent Africa (ASCRIA) tried to take

During the strike, the workers

SECRET

SECRET

advantage of the strike. Neither was notably successful but there were side effects that may prove troublesome to Burnham in the future. One was ASCRIA's departure from its usual go-it-alone policy, soliciting the cooperation of other militant groups, including the youth arm of the predominantly East Indian PPP, on issues ostensibly unrelated to labor unrest. Although these joint efforts were unimpressive, a precedent has been set. Another development was Jagan's meetings with the bauxite strikers and with civil service organizations that chose this time to push their long-neglected wage demands. The US Embassy believes, however, that consultation and public cooperation by ASCRIA and the civil servants with Jagan was only a tactic to put pressure on the government and that Jagan's political prospects probably have not been appreciably enhanced.

The government appears to have played its hand rather clumsily during the strike. Burnham

first affected a lack of concern about the stoppage and blamed DEMBA and its parent company, the Aluminum Company of Canada, for fomenting it. Then, probably because ASCRIA's influence is generally believed to be strong among the bauxite workers, he sent Eusi Kwayana, ASCRIA's Presiding Elder, to talk to the strikers. Kwayana failed to persuade them, probably because the issues are primarily a labor matter and the strikers did not want the dispute politicized.

The Burnham government may find itself subjected to a heavy though probably not fatal combination of pressures if the strike is resumed. The opposition is presumably constrained by the overriding importance of the successful nationalization of DEMBA, but Burnham's unimpressive recent performance cannot have been lost on the public generally or on the opposition particularly.

25X1

♦ ♦ ♦

Colombia Has a "New" Party

Former dictator Rojas Pinilla announced on 19 April that his National Popular Alliance (ANAPO) has become a political party. The decision to formalize ANAPO's status was based on the belief that the new voting generation and the lower class urbanites are no longer attached to the traditionally oriented Liberal and Conservative parties and that ANAPO, as a party, would thus attract them.

The 1970 general elections, in which ANAPO took part as a faction of the Conservative party, showed that the traditional strength of the Liberals and Conservatives had greatly eroded and that ANAPO appeared to have inherited much of their former support, particularly among low-income groups. This development springs from causes within the political groupings themselves and society as a whole. The bonds connecting the

two major parties with their mass following have deteriorated because of factors such as immigration from the countryside, growth of cities, the breakdown of traditional institutions, and a growing concern over socioeconomic issues. The appeal to low-income Colombians is based, in considerable measure, on ANAPO's demagogic opposition to the "establishment" and to the National Front that has governed the country since 1958. This system is scheduled to end in 1974. The vote that ANAPO received in 1970, however, may have been a transitory phenomenon. Some former adherents of the traditional parties voted for Rojas Pinilla more because they were dissatisfied with their own parties' candidates than because they were attracted to Rojas.

The "new" party will formally proclaim itself on 13 June and will also issue its platform at

SECRET

SECRET

25X1
that time.

present difficulties, and there is a considerable lack of secondary leadership.

ANAPO is portraying itself as the party of the exploited, but it will have to overcome many internal difficulties before it becomes a strong and viable political organization. The unification of its disparate elements into a party structure will be difficult and these efforts are already coming under fire from party stalwarts. The platform itself and the final selection of a standard bearer for 1974 will also

General Rojas, at 71, is the central figure in ANAPO and he is the party's one unifying element. His death or illness would greatly hamper resolution of these difficult issues. When Rojas dies—his many illnesses appear to be under control for the moment—it would fall to his daughter, Maria Eugenia Rojas de Moreno, to maintain the solidarity of the movement. This will be a difficult task at best and next to impossible if she persists with her presidential ambitions. In such a situation the movement could fragment, thereby seriously damaging its chances for the future. Much will depend on the Liberal and Conservative parties. Both are currently undergoing schisms, but if these are resolved and one or both of them adopt positions more responsive to the genuine popular pressures for social and economic reforms, then ANAPO would be undercut and would probably lose much of its apparent strength.

25X1

25X1

SECRET

Page Denied

Secret

Secret